

SENATOR FOWLER: Mr. President, I would move for adoption of those amendments. To briefly explain 248, it is a bill that Senator Wiitala introduced to try and upgrade in a small way the teacher's retirement system. It does so by changing the final years or the basis for calculating the retired benefits from the five best years of salary to the three best years. This is in conformity with the principles the Retirement Committee has used as far as a target goal for retirement benefits. It establishes a benefit that an average teacher in Nebraska if they retired would retire at about 76% of salary, 40% of that is the Social Security, the other 36% is the teachers retirement benefit. The change that the committee added was to change what is called the service annuity which is the state's portion of contribution to the school employee retirement system. The reason to change the service annuity is really twofold. One is to reduce the cost of Senator Wiitala's bill, the fiscal impact to the school district. The second is to provide a benefit, a slight increase for teachers already retired. So, it raises the service annuity from three dollars a month per year of service to \$3.50, a small increase but one that would help reduce the cost to school districts and provide some relief to those already retired. The committee amendments also clarify eligibility for the new retirement computation as far as taking effect for people retiring next year as opposed to this year. The increased cost to the school district would be considered a new program and for one year then would be exempt from the lid. I would move for adoption of those amendments.

SPEAKER MARVEL: You heard the motion, the explanation, all those in favor of advancement of the bill....okay, this is the committee amendment. Those in favor of the committee amendment vote aye, opposed vote no.

CLERK: 25 ayes, 0 nays on the adoption of the committee amendments, Mr. President.

SPEAKER MARVEL: Senator Wiitala, do you want to explain the bill.

SENATOR WIITALA: Mr. Speaker, members of the Legislature, LB 248 proposes to amend the school employees' retirement system in arriving at the final average compensation figure. Basically this retirement program covers all school employees who are working more than half time, teachers, administrators, custodians, bus drivers, cooks, nurses, etc. The retirement